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UNIFORM SYSTEM OF ACCOUNTS

FOR

GAS COMPANIES

AS PRESCRIBED BY

THE PUBLIC SERVICE COMMISSION

OF WASHINGTON

FIRST ISSUE

EFFECTIVE JANUARY 1, 1913

OLYMPIA

1913

THE IVY PRESS, SEATTLE.

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INTRODUCTION.

This uniform classification of accounts was formulated and prescribed in accordance with Section 78 of The Public Service Commission law of the State of Washington, which contains the following language:

> "The commission may, in its discretion, for the purpose of enabling it to better carry out the provisions of this act, prescribe the period of time within which all public service companies subject to the provision of this act shall have, as near as may be, a uniform system of accounts, and the manner in which the accounts shall be kept."
>
> "The commission may, in its discretion, prescribe the forms of any and all accounts, records and memoranda to be kept by the public service companies, including the accounts, records and memoranda of the movement of traffic, sales of its product, the receipts and expenditures of money."

Realizing that the Interstate Commerce Commission has pre-eminent jurisdiction over interstate rail and water carriers, and over telephone and telegraph companies which handle interstate business, and as that body has prescribed a standard classification of accounts for utilities coming under its jurisdiction, we do not see the necessity of adopting any system of accounts for such utilities, other than those prescribed by the Interstate Commerce Commission. While these classifications, if altered somewhat, might better coincide with local conditions, yet at the same time it is not thought desirable to formulate any system of accounts which do now, or will in the future, conflict with those prescribed by Federal authorities. Consequently, the classifications as prepared by us cover only the following utilities:

Gas Companies,
Light and Power Companies,
Water Companies,
Irrigation Companies.

In formulating this system of accounts it was not the intention that the same should be considered as a mere exercise of authority, or that they should impose any unreasonable or undue burden upon the utilities themselves. A system was sought which

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would not only furnish the commission and the public with the desired information, but which would also meet with the approval of the utilities within the state. These questions are of equal importance. For this reason it was deemed advisable to invite the assistance of the utilities, and this course was productive of the most satisfactory results. The local associations maintained by the utilities appointed committees to confer with the commission, and the aid of these committees was of great value. A system of accounting is too often confused with a mere scheme of bookkeeping. The latter affects only the clerical force of the accounting department; the former is of equal importance to all departments; so in preparing this classification, officials in charge of many different departments were consulted, in order to learn how the proposed classification would affect their daily work. This course led to the formulation of an accounting system which is technically correct, and at the same time entirely practicable.

While it is almost impossible to prepare a classification of this nature and not infringe upon similar classifications drawn by other regulatory bodies, and while we are frank to admit that we found such classifications of great value, and were guided by them to a certain extent, yet it was our idea to prepare a classification which would fill the needs of local utilities, regardless of what had been done in other states. It was our intention to formulate a system of accounts which could be easily adopted by the utilities, and be readily comprehended by all concerned, and at the same time permit of flexibility without distorting the desired facts. It was here that the assistance of the utilities was of the utmost importance. Officials of both large and small companies volunteered information as to the manner in which their accounts are kept at the present time, so that the probable effect upon existing conditions was readily noted. This course permitted us to prepare an adaptable classification, as well as a practical one.

We wish to extend our thanks to the utilities, the municipal and state officials, and to many other interested parties, for their valuable assistance in preparing this classification of accounts.

THE PUBLIC SERVICE COMMISSION
OF WASHINGTON,

GEORGE A. LEE, *Chairman,*
HARRY E. WILSON, *Member,*
JESSE S. JONES, *Member.*

December 15, 1912.

GENERAL INSTRUCTIONS.

For convenience in handling this system of accounts, the gas companies within the state are divided into three classes, as follows:

Class A. Companies having a gross annual operating revenue or $100,000 or more.

Class B. Companies having a gross annual operating revenue of less than $100,000 and more than $25,000.

Class C. Companies having a gross annual operating revenue of $25,000 or less.

To each class is assigned a system of accounts, which represents the minimum number of accounts which each company of that class shall carry. Any company may use the accounting system prescribed for companies of the next higher class, and may subdivide any account into such subdivisions as are necessary to its operations.

This classification was first prepared for *Class A* companies, the definitions being drawn with the idea of consolidation. The *Class A* accounts were then condensed for use of *Class B* and *Class C* companies, these condensed classifications being inserted directly after the *Class A* classification. It will be noted that the consolidation of accounts does not in any manner affect the definitions of accounts. The printed text provides a definition for each of the maximum number of accounts to be used by *Class A* companies. And as these accounts are consolidated for use of *Class B* and *Class C* companies all of the items mentioned in the definitions of the several accounts will be charged or credited to the consolidated account.

It is not incumbent upon the utilities to divide the Capital Account as of December 31, 1912, among the different Capital Accounts as prescribed by this classification. Utilities may have this privilege, however, if they desire to make such a division. It is presumed that all utilities will have some segregation of their Plant Account, and this segregation should not be lost sight of, as it is at all times desirable to know what constitutes the property carried under the head of "Property and Plant." In case, therefore, that the different Plant Accounts are transferred into the

account "Fixed Capital as of December 31, 1912", the journal entry recording the transfer should show this division clearly.

In case a company operates in more than one municipality, or serves territory lying outside of the corporate limits of the same, separate and distinct accounts shall be kept for each municipality, in so far as is practicable. The territory lying outside of the corporate limits of municipalities shall be divided into convenient districts, and separate accounts shall be kept for such districts.

Classification of Construction and Equipment Accounts for Gas Companies

Classification of Construction and Equipment Accounts for Gas Companies

Class A Companies

A. INTANGIBLE CAPITAL.

No. 1. Organization.
No. 2. Franchises.
No. 3. Patent Rights, Licenses, etc.
No. 4. Other Intangible Capital.

B. TANGIBLE CAPITAL.

I. Lands Used in Operation of Property.

No. 5. Gas Works Land.
No. 6. Transmission System Land.
No. 7. Distribution System Land.
No. 8. Stores Department Land.
No. 9. Utility Equipment Land.
No. 10. General Office Land.
No. 11. Land Devoted to other Operations.

II. Buildings, Fixtures and Grounds Used in Operation of Property.

No. 12. Gas Works Buildings, Fixtures and Grounds.
No. 13. Transmission Buildings, Fixtures and Grounds.
No. 14. Distribution Buildings, Fixtures and Grounds.
No. 15. Stores Department Buildings Fixtures and Grounds.
No. 16. Utility Equipment Buildings, Fixtures and Grounds.

No. 17. General Office Buildings, Fixtures and Grounds.
No. 18. Other Buildings, Fixtures and Grounds Devoted to Operation.

III. Equipment.

No. 19. Coal Gas Apparatus.
No. 20. Water Gas Apparatus.
No. 21. Oil Gas Apparatus.
No. 22. Boiler Plant Equipment.
No. 23. Transmission Mains.
No. 24. Distribution Mains.
No. 25. Outlying Holders, Boosters and Regulators.
No. 26. Services.
No. 27. Meters and Service Regulators.
No. 28. Commercial Lamps and Lamp Equipment.
No. 29. Municipal Lamps and Lamp Equipment.
No. 30. Telephone Lines and Equipment.
No. 31. Stores Department Equipment.
No. 32. Utility Equipment.
No. 33. Miscellaneous Equipment.
No. 34. Furniture and Office Appliances.

IV. General Expenditures.

No. 35. Engineering and Superintendence.
No. 36. Law Expense.
No. 37. Injuries and Damages.
No. 38. Taxes.
No. 39. Interest.
No. 40. Discount on Securities.
No. 41. Miscellaneous Expenditures.
No. 42. Cost of Plant Purchased. (In Lieu of Plant Constructed.)

TEXT OF CLASSIFICATION OF CONSTRUCTION AND EQUIPMENT ACCOUNTS.

Note.—The following classification relates to plant accounts to be opened on and after January 1, 1913. When property charged to these accounts is replaced or abandoned on account of deterioration, obsolescence or casualties, the account affected shall be credited with the actual cost of such property, making a corresponding charge to Replacement Reserve.

Note.—When property installed prior to January 1, 1913, is replaced or abandoned on account of deterioration, obsolescence or casualties, the original cost, or if such is not available, the estimated original cost, shall be credited to "Fixed Capital as of December 31, 1912." (See page 101.)

Fixed Capital Defined.—By the *Fixed Capital* of a corporation is meant the property both tangible and intangible, which is devoted to the accomplishment of the principal purposes of its business and which has an expectation of life in service of more than one year from date of installation in service (exception being made in the case of hand tools and other small portable tools that may be lost or stolen).

The Cost of all properties acquired or held, not for use in present operations, should be charged to the appropriate Investment Account.

Cost of Fixed Capital.—The term *"Cost"* as used in the texts for fixed capital accounts means the *Original* cost to the corporation. It includes not only the costs of labor, materials and supplies directly employed or consumed in the construction and installation of property classed as fixed capital, but also the cost of preliminary plans and surveys and such portion of the expenses for engineering and plant supervision and general expenses as may be chargeable to the fixed capital accounts under an equitable plan for the apportionment of such expense.

When any property or plant included in fixed capital accounts is retired from service, the proper accounts shall be credited with the actual cost of the same.

A. INTANGIBLE CAPITAL.

No. 1. Organization.

Charge to this account all fees paid to governments for the privilege of incorporation and all fees and other expenditures incident to organizing the gas utility. This includes the cost of preparing and distributing prospectuses, cost of soliciting subscriptions for securities, cash fees paid to promoters, and the cost of their services in organizing the enterprise; attorneys' fees, cost of preparing and issuing certificates of stock, and cost of procuring certificates of convenience and necessity, and other similar expenses.

Expenses incident to an increase of the capital stock, and the negotiation and sale of stock thereunder, and expenses of preparing and filing certificates of amendment to the articles of incorporation, shall be charged to this account.

Discount on bonds or capital stock shall not be charged to this account, but shall be charged to the account Discount on Securities.

No. 2. Franchises.

Charge to this account the actual amount paid to the State, or to a political subdivision thereof, in consideration for any franchise deemed necessary to the conduct of the gas utility service.

Expenses in procuring franchises covering additional territory, to be operated as a part of the existing system, may be charged to this account.

If any such franchise is acquired by purchase, the charge to this account, in respect thereof, shall not exceed the amount so actually paid therefor by the gas utility to its assignors. If any franchise has a life of not more than one year after the day when it is placed in service, or in effect, it shall not be charged to this account, but to Operating Expense Account 104—Miscellaneous General Expense.

No. 3. Patent Rights, Licenses, Etc.

Charge to this account the cost of all rights, licenses, etc., having a life of more than one year from the date when placed in service, acquired by the utility in or under valid patent grants by the United States to inventors for inventions and discoveries which are necessary or valuable to the economical conduct of the gas business.

No. 4. Other Intangible Capital.

Charge to this account the cost of all other intangible property not included in the foregoing accounts.

B. TANGIBLE CAPITAL.

I. Lands Used in Operation of Property.

Accounts shall be opened as indicated below, to which shall be charged the cost of all land used and useful in the operation of the gas utility, whose term of enjoyment is over one year from the grant thereof. The cost of land shall include the purchase price, the cost of registration of title, cost of examination of title, surveyors' and notaries' fees, purchasing agents' commissions, the fees and taxes accrued to date of transfer of title, and all liens upon title acquired; also the cost of obtaining consents and payments for abutting property damages, and all legal and other expenses in connection with condemnation proceedings. The cost of any buildings, fixtures and improvements made to the land purchased, must not be charged to these accounts. If at the time of acquisition of any interest in land it extends to buildings, or other improvements thereon, which improvements are devoted by the gas utility to its gas service, and the contract of acquisition does not determine the price of such buildings or improvements, the estimated cost of such buildings or improvements shall be charged to the appropriate Buildings, Fixtures and Grounds Account, and excluded from the Land Account. If such improvements are not devoted to operations, but are held as investment, the estimated cost of such improvements shall be charged to an appropriate Investment Account.

When any tract or parcel of land is used jointly by two or more departments, the cost of the same shall be divided on some equitable basis, and charged to the appropriate accounts.

No. 5. Gas Works Land.

Charge to this account the cost of all land, as above defined, occupied by gas producing plants, together with all land used and useful in connection with the gas works.

No. 6. Transmission System Land.

Definition.—The transmission system consists of those high pressure mains, together with necessary regulating devices, whose principal function is transmitting

gas in large quantities to other gas utilities, or to adjacent municipalities.

Charge to this account the cost of all land, as above defined, used and useful in connection with the transmission system.

No. 7. Distribution System Land.

Charge to this account the cost of all land as above defined used and useful in connection with the distribution system, including land for outlying holders.

No. 8. Stores Department Land.

Charge to this account the cost of all land as above defined occupied by storage buildings and structures, or used as storage yards.

No. 9. Utility Equipment Land.

Charge to this account the cost of all land, as above defined, occupied exclusively by barns, stables, and automobile, vehicle and other utility equipment storage structures.

No. 10. General Office Land.

Charge to this account the cost of all land, as above defined, occupied by general and branch office buildings of the gas utility.

No. 11. Land Devoted to Other Operations.

Charge to this account the cost of all land, as above defined, not included in the preceding accounts.

II. Buildings, Fixtures and Grounds Used in Operation of Property.

Note.—This account should not include the cost of land or real estate. The word "grounds" signifies improvements to land, such as fences, walks, parking, etc.

Accounts shall be opened as indicated below, to which shall be charged the cost of all buildings, structures and improvements on the land used and useful in the production, distribution and sale of gas, and all operations incidental thereto.

Such buildings, structures and improvements include gas plant structures, general office buildings, coal and other fuel

sheds and storage buildings and structures, barns, stables, and all fixtures attached to such buildings and a permanent part thereof, together with fences, walks, drives and grading and improvement of grounds.

Machinery foundations and settings if designed as a part of the permanent construction of the building and independent of their use in connection with any particular unit of equipment, shall be charged to the appropriate Buildings, Fixtures and Grounds Account. If, however, such foundations and settings are prepared especially for certain units of equipment and designed to last no longer than such unit, their cost will be charged to the appropriate Equipment Account.

When any building or improvement to the same is used jointly by two or more departments, the cost of the same shall be divided on some equitable basis, and charged to the appropriate accounts.

No. 12. Gas Works Buildings, Fixtures and Grounds.

Charge to this account the cost of all buildings, fixtures and grounds devoted to the production of gas and all buildings and structures incidental thereto; together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives, tramways and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in gas production.

No. 13. Transmission Buildings, Fixtures and Grounds.*

Charge to this account the cost of all buildings, fixtures and grounds devoted to the transmission system, including permanent foundations and settings for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached to such structures and made a part thereof.

Charge also to this account the cost of dwellings for employes engaged in transmission work.

No. 14. Distribution Buildings, Fixtures and Grounds.

Charge to this account the cost of all buildings, fixtures and grounds devoted to the distribution system, including permanent

**See definition on page 13.*

foundations and settings for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached to such structures and made a part thereof.

Charge also to this account the cost of dwellings for employes engaged in distribution work.

No. 15. Stores Department Buildings, Fixtures and Grounds.

Charge to this account the cost of all buildings, fixtures and grounds devoted to stores purposes, appurtenant walks, fences, drives and all fixtures permanently attached to such structures and made a part thereof.

No. 16. Utility Equipment Buildings, Fixtures and Grounds.

Charge to this account the cost of all buildings, fixtures and grounds devoted exclusively to stable, barn, garage or other utility equipment purposes, appurtenant walks, fences, drives, and all fixtures permanently attached to such structures and made a part thereof.

No. 17. General Office Buildings, Fixtures and Grounds.

Charge to this account the cost of all buildings, fixtures and grounds devoted to general and branch office purposes, appurtenant walks, fences, drives, and all fixtures permanently attached to such structures and made a part thereof.

No. 18. Other Buildings, Fixtures and Grounds Devoted to Operation.

Charge to this account the cost of all buildings, fixtures and grounds devoted to operation, not included in any of the preceding departmental Buildings, Fixtures and Grounds Accounts.

III. Equipment.

Note.—When any apparatus, such as storage holders, station meters, boiler and engine room equipment, etc., is used in connection with the manufacture of more than one kind of gas, the cost of such equipment shall be divided on some equitable basis, and charged to the appropriate accounts.

No. 19. Coal Gas Apparatus.

Charge to this account the cost of all coal gas production apparatus. This includes benches, gas and steam engines and turbines devoted to the production of coal gas; purifying apparatus, such as washers, scrubbers, purifiers and other auxiliary equipment; condensers, exhausters, station meters, apparatus for charging retorts, bench fuel economizers, apparatus for handling coal gas making materials and residuals; storage holders at works and holder accessory apparatus, including the specially provided foundations and settings of such apparatus.

No. 20. Water Gas Apparatus.

Charge to this account the cost of all water gas production apparatus. This includes the cost of all water gas generators, gas and steam engines and turbines devoted to the production of water gas; purifying apparatus, such as washers, scrubbers, purifiers and other auxiliary equipment; condensers, exhausters, station meters, apparatus for handling water gas making materials and residuals; gas oil storage tanks, storage and relief holders at works and holder accessory apparatus, including the specially provided foundations and settings of such apparatus.

No. 21. Oil Gas Apparatus.

Charge to this account the cost of all oil gas production apparatus. This includes retorts, gas and steam engines and turbines devoted to the production of oil gas; purifying apparatus, such as washers, scrubbers, purifiers and other auxiliary equipment; condensers, exhausters, station meters, apparatus for handling oil gas making materials and residuals; oil storage tanks, storage holders at works and holder accessory apparatus, including the specially provided foundations and settings of such apparatus.

No. 22. Boiler Plant Equipment.

Charge to this account the cost of all equipment devoted to the generation of steam. This includes furnaces, boilers, boiler fittings, metal stacks and breechings, feed pumps, water feed piping, injectors, economizers, feed water heaters, super-heaters, valves, flues, steam piping, boiler water purification equipment, mechanical stokers, cranes, coal and ash conveyors, steam traps,

crushers, and similar auxiliary equipment in the boiler plant, including the specially provided foundations and settings of such apparatus.

No. 23. Transmission Mains.*

Charge to this account the cost of transmission mains in place, from the production plant to the distribution system.

No. 24. Distribution Mains.

Charge to this account the cost of all distribution mains in place, from holder or transmission line valves to their termination.

Note.—Utilities desiring to keep separate the costs of Commercial and Municipal distribution system equipment may sub-divide this account for that purpose.

No. 25. Outlying Holders, Boosters and Regulators.

Charge to this account the cost of all holders at outlying stations, including tanks, foundations, frame-work, etc., inlet and outlet valves of such holders and pumping equipment appurtenant thereto. Also all district regulators installed as a part of the Distribution System.

No. 26. Services.

(a) OUTSIDE SERVICES.

Charge to this account the cost of service pipes in place from the transmission or distribution mains, or from another service pipe, to the consumer's meter, including all necessary pipe fittings and valves.

(b) INSIDE SERVICES.

Charge to this account the cost of extending service pipes beyond the consumer's meter.

Note.—When Consumers are required to pay part or all of the cost of services, only that portion of the cost not chargeable to the consumers is chargeable to this account.

Note.—Utilities desiring to keep separate the costs of Commercial and Municipal services may sub-divide this account for that purpose.

**See definition on page 13.*

No. 27. Meters and Service Regulators.

Charge to this account the cost of all meters used for determining the amount of gas delivered to consumers. Charge also to this account the cost of regulators installed in connection with consumers' services.

Utilities desiring to charge the first cost of setting meters and regulators to operating expense should charge the same to Operating Expense Account 83—Meters and Service Regulators.

No. 28. Commercial Lamps and Lamp Equipment.

Charge to this account the cost of all arc lamps and all lamp fixtures and equipment devoted to commercial lighting.

Utilities desiring to charge all or any portion of the first cost of installing commercial lamps or lamp equipment to operating expense should charge the same to Operating Expense Account 90—Commercial Arc Lamps.

No. 29. Municipal Lamps and Lamp Equipment.

Charge to this account the cost of all lamps and all lamp fixtures and equipment devoted to municipal street lighting.

Utilities desiring to charge all or any portion of the first cost of installing commercial lamps or lamp equipment to operating expense should charge the same to Operating Expense Account 91—Municipal Arc Lamps.

No. 30. Telephone Lines and Equipment.

Charge to this account the cost of all telephone lines and their equipment, including telephone switchboards, instruments, poles, cross-arms, insulators, wire, etc.

No. 31. Stores Department Equipment.

Charge to this account the cost of all equipment of the Stores Department, including loading and unloading machinery, derricks, cranes, hoists, and conveying apparatus.

No. 32. Utility Equipment.

Charge to this account the cost of all utility equipment, including wagons, drays, trucks, harness, horses, automobiles, bicycles, motorcycles, etc., where it is the practice of the utility to charge such items to Capital Account.

No. 33. Miscellaneous Equipment.

Charge to this account all equipment not included in any of the preceding accounts, including shop tools and appliances, engineering and laboratory tools and instruments and other miscellaneous equipment.

Small hand tools, because of their liability to loss and theft, and their rapid consumption, should be charged to Operating Expenses.

No. 34. Furniture and Office Appliances.

Charge to this account the cost of all furniture, furnishings and appliances in offices, plants, boarding houses, employes' dwellings, etc.

IV. General Expenditures.

No. 35. Engineering and Superintendence.

Charge to this account the salaries and expenses of engineers, draftsmen and superintendents on preliminary and construction work, when such disbursements cannot be charged to other specific Capital Accounts.

No. 36. Law Expense.

Charge to this account all law expenses incurred during the period of construction. This includes salaries and expenses of counsel and attorneys, their clerks and assistants, etc.; charge also with the cost of law books; printing briefs, legal forms and testimony reports; fees and retainers of counsel and attorneys; court costs; notarial and witness fees; expenses of taking depositions, and general law and court expenses during construction; expenses of arbitrators of disputed points will also be charged to this account.

When any of the expenditures above enumerated can be charged directly to the account for which they were incurred they shall be so charged.

No. 37. Injuries and Damages.

Charge to this account all expenditures on account of damage to or destruction of property, other than that owned by the utility, attributable to construction; and all expense incident to the injury or death of employes or other persons for which injury or death

the utility is held liable or for which allowances are made. This includes such items of expense as judgments and court costs, proportion of salaries and expenses or fees of physicians and surgeons, expenses for nurses, hospitals and undertakers, medical and surgical supplies, contributions to hospitals during the period of construction, transportation of injured persons, wages and salaries paid to employes while disabled, salaries and expenses of the utility's claim agents, adjusters and other assistants and the compensation of counsel or attorneys engaged in the defense and settlement of damage suits.

No. 38. Taxes.

Charge to this account all taxes and assessments levied and paid on property belonging to the gas utility while under construction and before the plant has begun operations, except special assessments of street and other improvements, such as grading, curbing, paving, sidewalks, sewer, etc., which shall be charged to the account to which the property benefited has been charged.

No. 39. Interest.

Charge to this account all interest on loans obtained and on notes issued for money borrowed for construction purposes, and on overdue payments to contractors or other creditors; also exchange on drafts.

Charge also to this account all interest, paid or accrued during construction, on bonds and other securities.

Credit to this account all interest received on moneys acquired for purposes of construction or purchase of equipment.

No. 40. Discount on Securities.

To this account may be charged the discount on bonds and capital stock sold or issued. Special sub-accounts may be kept for each class of securities.

No. 41. Miscellaneous Expenditures.

Charge to this account the salaries and expenses of executive and general officers of the plant under construction, clerks in general offices engaged on construction accounts or work; rents, repairs and expenses of offices when rented for construction purposes, insurance during construction, and all other capital expeditures not chargeable to any of the preceding Capital Accounts.

No. 42. Cost of Plant Purchased. (In Lieu of Plant Constructed.)

Charge to this account the cost of gas plants purchased.

CLASSIFICATION OF CONSTRUCTION AND EQUIPMENT ACCOUNTS FOR GAS COMPANIES.

CLASS "B" COMPANIES.

(A) INTANGIBLE CAPITAL.

CLASS B.	CLASS A.
1. Organization and Franchises	1. Organization. 2. Franchises.
2. Patent Rights, Licenses and Other Intangible Capital	3. Patent Rights, Licenses, etc. 4. Other Intangible Capital.

(B) TANGIBLE CAPITAL.

I. Lands Used in Operation of Property.

3. Gas Works Land	5. Gas Works Land.

CLASS B.	CLASS A.
4. Other Lands	6. Transmission System Land. 7. Distribution System Land. 8. Stores Department Land. 9. Utility Equipment Land. 10. General Office Land. 11. Land Devoted to Other Operations.

II. Buildings, Fixtures and Grounds Used in Operation of Property.

5. Gas Works Buildings, Fixtures and Grounds	12. Gas Works Buildings, Fixtures and Grounds.
6. Office and Store Buildings, Fixtures and Grounds	15. Stores Department Buildings, Fixtures and Grounds. 17. General Office Buildings, Fixtures and Grounds.
7. Other Buildings, Fixtures and Grounds	13. Transmission Buildings, Fixtures and Grounds. 14. Distribution Buildings, Fixtures and Grounds. 16. Utility Equipment Buildings, Fixtures and Grounds. 18. Other Buildings, Fixtures and Grounds Devoted to Operation.

UNIVERSITY OF CALIFORNIA

CLASS B.		CLASS A.	
	III. Equipment.		
8.	Coal Gas Apparatus	19.	Coal Gas Apparatus.
9.	Water Gas Apparatus	20.	Water Gas Apparatus.
10.	Oil Gas Apparatus	21.	Oil Gas Apparatus.
11.	Other Production Apparatus	22.	Boiler Plant Equipment.
		33.	Miscellaneous Equipment.
12.	Mains and Appurtenances	23.	Transmission Mains.
		24.	Distribution Mains.
		25.	Outlying Holders, Boosters and Regulators.
13.	Services	26.	Services.
14.	Meters and Service Regulators	27.	Meters and Service Regulators.
15.	Lamps and Lamp Equipment	28.	Commercial Lamps and Lamp Equipment.
		29.	Municipal Lamps and Lamp Equipment.
16.	Office Furniture and Store Department Equipment	31.	Stores Department Equipment.
		34.	Furniture and Office Appliances.

CLASS "B" COMPANIES—Continued.

CLASS B.		CLASS A.	
17.	Utility Equipment	32.	Utility Equipment.

IV. General Expenditures.

18.	Engineering and Superintendence	35.	Engineering and Superintendence.
19.	Law Expense	36.	Law Expense.
20.	Injuries and Damages	37.	Injuries and Damages.
21.	Taxes	38.	Taxes.
22.	Interest	39.	Interest.
23.	Discount on Securities	40.	Discount on Securities.
24.	Miscellaneous Expenditures	41.	Miscellaneous Expenditures.
25.	Cost of Plant Purchased. (In Lieu of Plant Constructed.)	42.	Cost of Plant Purchased. (In Lieu of Plant Constructed.)

CLASSIFICATION OF CONSTRUCTION AND EQUIPMENT ACCOUNTS FOR GAS COMPANIES.

CLASS "C" COMPANIES

CLASS C.	CLASS A.
A. INTANGIBLE CAPITAL.	
1. Intangible Capital	1. Organization. 2. Franchises. 3. Patent Rights, Licenses, etc. 4. Other Intangible Capital.
B. TANGIBLE CAPITAL.	
I. Lands Used in Operation of Property.	
2. Lands Used in Operation of Property	5. Gas Works Land. 6. Transmission System Land. 7. Distribution System Land. 8. Stores Department Land. 9. Utility Equipment Land. 10. General Office Land. 11. Land Devoted to Other Operations.

CLASS C.	CLASS A.
II. Buildings, Fixtures and Grounds Used in Operation of Property.	
3. Buildings, Fixtures and Grounds Used in Operation of Property	12. Gas Works Buildings, Fixtures and Grounds. 13. Transmission Buildings, Fixtures and Grounds. 14. Distribution Buildings, Fixtures and Grounds. 15. Stores Department Buildings, Fixtures and Grounds. 16. Utility Equipment Buildings, Fixtures and Grounds. 17. General Office Buildings, Fixtures and Grounds. 18. Other Buildings, Fixtures and Grounds Devoted to Operation.
III. Equipment.	
4 Gas Works Apparatus	19. Coal Gas Apparatus. 20. Water Gas Apparatus. 21. Oil Gas Apparatus. 22. Boiler Plant Equipment.

CLASS C.	CLASS A.
5. Mains and Outlying Equipment	23. Transmission Mains. 24. Distribution Mains. 25. Outlying Holders, Boosters and Regulators.
6. Services, Meters, Lamps and Lamp Equipment	26. Services. 27. Meters and Service Regulators. 28. Commercial Lamps and Lamp Equipment. 29. Municipal Lamps and Lamp Equipment.
7. Miscellaneous Equipment	31. Stores Department Equipment. 32. Utility Equipment. 33. Miscellaneous Equipment. 34. Furniture and Office Appliances.

CLASS C.	CLASS A.
IV. General Expenditures.	
8. General Expenditures	35. Engineering and Superintendence. 36. Law Expense. 37. Injuries and Damages. 38. Taxes. 39. Interest. 40. Discount on Securities. 41. Miscellaneous Expenditures. 42. Cost of Plant Purchased. (In Lieu of Plant Constructed.

Classification of Revenue Accounts for Gas Companies

Classification of Revenue Accounts for Gas Companies

Class A Companies

A. OPERATING REVENUES.

No. 1. Commercial Heat and Light—Metered.
No. 2. Commercial Heat and Light—Flat Rate.
No. 3. Commercial Heat and Light—Prepaid.
No. 4. Commercial Power.
No. 5. Industrial.
No. 6. Municipal Street Lighting.
No. 7. Municipal Building Heat and Light.
No. 8. Municipal Power.
No. 9. Sales to Other Gas Utilities.
No. 10. Miscellaneous.

B. NON-OPERATING REVENUES.

No. 11. Profit on Merchandise Sales and Jobbing.
No. 12. Rents from Arc Lamps and Appliances.
No. 13. Rents from Real Estate and Buildings.
No. 14. Interest on Deposits.
No. 15. Interest and Dividends on Securities Owned.
No. 16. Miscellaneous.

A. OPERATING REVENUES.

Note.—Utilities should carry their revenue accounts in such a manner that during any period of time it will be possible to readily ascertain the aggregate revenue obtained from minimum rates paid by consumers using less than the equivalent supply of gas, and the aggregate quantity of gas used by such consumers.

No. 1. Commercial Heat and Light—Metered.

Credit to this account all revenues derived from the sale of metered gas supplied for heat and light, except as provided in Account No. 5, Industrial; Account No. 6, Municipal Street Lighting and Account No. 7, Municipal Building Heat and Light.

No. 2. **Commercial Heat and Light—Flat Rate.**

Credit to this account all revenues derived from consumers for gas supplied for heat and light at flat rates, per year or any other time unit, or on any basis independent of the quantity of gas supplied, except as provided in Account No. 5, Industrial; Account No. 6, Municipal Street Lighting and Account No. 7, Municipal Building Heat and Light.

No. 3. **Commercial Heat and Light—Prepaid.**

Credit to this account all revenues derived from consumers for prepaid gas supplied for heat and light, except as provided in Account No. 7, Municipal Building Heat and Light.

No. 4. **Commercial Power.**

Credit to this account all revenues derived from consumers for gas supplied for power purposes, if such gas is separately metered, except as provided for in Account No. 8, Municipal Power.

No. 5. **Industrial.**

Credit to this account all revenues derived from consumers for gas supplied for industrial fuel purposes, if the same is separately metered.

No. 6. **Municipal Street Lighting.**

Credit to this account all revenues derived from municipalities for gas supplied for street lighting.

No. 7. **Municipal Building Heat and Light.**

Credit to this account all revenues derived for gas supplied for heating and lighting municipal buildings, when covered by special franchise rates.

No. 8. **Municipal Power.**

Credit to this account all revenues derived for gas supplied to municipalities for power purposes, if such gas is separately metered, and covered by special franchise rates.

No. 9. **Sales to Other Gas Utilities.**

Credit to this account all revenues derived for gas supplied to other Gas Utilities for use of such utilities or to be by them distributed through their own mains to consumers.

No. 10. Miscellaneous.

Credit to this account all revenues from operating sources not included in any of the preceding accounts.

B. NON-OPERATING REVENUES.

No. 11. Profit on Merchandise Sales and Jobbing.

Credit to this account all receipts from the sale of gas merchandise and from gas jobbing.

Charge to this account the cost of all merchandise sold and all expense incident thereto.

Credit also to this account the profit or commission accruing to the corporation on all jobbing work performed by it as agent under agency contracts, whereby it undertakes to do jobbing work for another for a stipulated profit or commission upon its actual expense for labor, materials and supplies.

No. 12. Rents from Arc Lamps and Appliances.

Credit to this account all revenues from rental to municipal or other corporations or to individuals of arc lamps, meters, gas stoves, or any other gas appliances.

Charge to this account all expenses for the up-keep of the property so rented.

No. 13. Rents from Real Estate and Buildings.

Credit to this account monthly as they accrue all miscellaneous rent revenues as a return upon leased property other than gas plant or equipment.

Charge to this account all expenses for the up-keep of and for the taxes and insurance on the property so rented.

No. 14. Interest on Deposits.

Credit to this account all interest as it accrues on funds deposited with Banks, Trust Companies, or individuals.

No. 15. Interest and Dividends on Securities Owned.

Credit to this account all interest as it accrues upon interest bearing securities.

Credit also to this account dividends upon stock owned of other corporations.

No. 16. Miscellaneous.

Credit to this account all revenues from non-operating sources not included in any of the preceding accounts.

DEDUCTIONS FROM GROSS REVENUE.

Discounts and Adjustments.

Utilities which carry gross charges on the consumers' ledger shall charge to this account all discounts made for prompt payment of their accounts for gas. Charge also with all adjustments made to consumers.

A charge may also be made to this account each month, with a corresponding credit to an appropriate Reserve Account, of an amount estimated, by its uniform application throughout the year, to yield to such reserve fund an amount sufficient to cover all accounts for gas which become uncollectible and are charged to the reserve fund because of the removal of the debtor beyond the jurisdiction of the state, the operation of the Statute of Limitations, discharge in bankruptcy, or for any other sufficient reason after diligent effort to collect.

FOR GAS COMPANIES
CLASS "B" COMPANIES

CLASS B.		CLASS A.
	OPERATING REVENUES	
1.	Commercial Heat and Light—Metered	1. Commercial Heat and Light—Metered.
2.	Commercial Heat and Light—Flat Rate	2. Commercial Heat and Light—Flat Rate.
3.	Commercial Heat and Light—Prepaid	3. Commercial Heat and Light—Prepaid.
4.	Commercial Power	4. Commercial Power.
5.	Industrial	5. Industrial.
6.	Municipal Street Lighting	6. Municipal Street Lighting.
7.	Municipal Building Heat and Light	7. Municipal Building Heat and Light.
8.	Municipal Power	8. Municipal Power.
9.	Sales to Other Gas Utilities	9. Sales to Other Gas Utilities.
10.	Miscellaneous	10. Miscellaneous.
	NON-OPERATING REVENUES	
11.	Profit on Merchandise Sales and Jobbing	11. Profit on Merchandise Sales and Jobbing.
12.	Rents from Arc Lamps and Appliances	12. Rents from Arc Lamps and Appliances.
13.	Rents from Real Estate and Buildings	13. Rents from Real Estate and Buildings.
14.	Interest on Deposits	14. Interest on Deposits.
15.	Interest and Dividends on Securities Owned	15. Interest and Dividends on Securities Owned.
16.	Miscellaneous	16. Miscellaneous.

Deductions from Gross Revenue, Discounts and Adjustments. (See page 36.)

FOR GAS COMPANIES

CLASS "C" COMPANIES

CLASS C.	CLASS A.

OPERATING REVENUES

1. Commercial Heat and Light	1. Commercial Heat and Light—Metered. 2. Commercial Heat and Light—Flat Rate. 3. Commercial Heat and Light—Prepaid. 4. Commercial Power. 5. Industrial.
2. Municipal Heat and Light	6. Municipal Street Lighting. 7. Municipal Building Heat and Light. 8. Municipal Power.
3. Miscellaneous	9. Sales to Other Gas Utilities. 10. Miscellaneous.

CLASS "C" COMPANIES—Continued.

CLASS C.	CLASS A.

NON-OPERATING REVENUES

4.	Non-Operating Revenues	11. Profit on Merchandise Sales and Jobbing. 12. Rents from Arc Lamps and Appliances. 13. Rents from Real Estate and Buildings. 14. Interest on Deposits. 15. Interest and Dividends on Securities Owned. 16. Miscellaneous.

Deductions from Gross Revenue, Discounts and Adjustments. *(See page 36.)*

Classification of Operating Expenses for Gas Companies

Classification of Operating Expenses for Gas Companies

Class A Companies

I. PRODUCTION.
II. TRANSMISSION.
III. DISTRIBUTION.
IV. UTILIZATION.
V. COMMERCIAL.
VI. GENERAL.

I. PRODUCTION.

A. Coal Gas.

Operation.

No. 1. Superintendence.
No. 2. Production Labor.
No. 3. Purifying Labor.
No. 4. Boiler, Engine and Shop Labor.
No. 5. Miscellaneous Labor.
No. 6. Coal Carbonized.
No. 7. Enricher.
No. 8. Bench Fuel.
No. 9. Boiler Fuel.
No. 10. Water.
No. 11. Purifying Material.
No. 12. Miscellaneous Supplies and Expenses.
No. 13. Residuals Expense.
No. 14. Other Operations—Dr.
No. 15. Other Operations—Cr.
No. 16. Value of Residuals Produced—Cr.

Maintenance.

No. 17. Benches.
No. 18. Apparatus.
No. 19. Holders at Works.
No. 20. Steam Plant.

No. 21. Other Equipment at Works.
No. 22. Buildings, Fixtures and Grounds.
No. 23. Other Operations—Dr.
No. 24. Other Operations—Cr.

B. Water Gas.

Operation.

No. 25. Superintendence.
No. 26. Production Labor.
No. 27. Purifying Labor.
No. 28. Boiler, Engine and Shop Labor.
No. 29. Miscellaneous Labor.
No. 30. Generator Fuel.
No. 31. Enricher.
No. 32. Boiler Fuel.
No. 33. Water.
No. 34. Purifying Material.
No. 35. Miscellaneous Supplies and Expenses.
No. 36. Residuals Expense.
No. 37. Other Operations—Dr.
No. 38. Other Operations—Cr.
No. 39. Value of Residuals Produced—Cr.

Maintenance.

No. 40. Apparatus.
No. 41. Holders at Works.
No. 42. Steam Plant.
No. 43. Other Equipment at Works.
No. 44. Buildings, Fixtures and Grounds.
No. 45. Other Operations—Dr.
No. 46. Other Operations—Cr.

C. Oil Gas.

Operation.

No. 47. Superintendence.
No. 48. Production Labor.
No. 49. Purifying Labor.
No. 50. Boiler, Engine and Shop Labor.
No. 51. Miscellaneous Labor.
No. 52. Oil for Gas.
No. 53. Boiler Fuel.
No. 54. Water.

No. 55. Purifying Material.
No. 56. Miscellaneous Supplies and Expenses.
No. 57. Residuals Expense.
No. 58. Other Operations—Dr.
No. 59. Other Operations—Cr.
No. 60. Value of Residuals Produced—Cr.

Maintenance.

No. 61. Apparatus.
No. 62. Holders at Works.
No. 63. Steam Plant.
No. 64. Other Equipment at Works.
No. 65. Buildings, Fixtures and Grounds.
No. 66. Other Operations—Dr.
No. 67. Other Operations—Cr.

D. Gas Purchased.

No. 68. Gas Purchased—Cost.
No. 69. Gas Purchased—Expense.

E. Gas on Hand Adjustment.

No. 70. Gas on Hand Adjustment.

II. TRANSMISSION.

Operation.

No. 71. Superintendence.
No. 72. Boosters and Regulators.
No. 73. Patrolling and Inspecting Mains.
No. 74. Miscellaneous Supplies and Expenses.

Maintenance.

No. 75. Boosters and Regulators.
No. 76. Transmission Mains.
No. 77. Miscellaneous Transmission Equipment.
No. 78. Buildings, Fixtures and Grounds.

III. DISTRIBUTION.

Operation.

No. 79. Superintendence.
No. 80. District Station Equipment.

No. 81. Patrolling and Inspecting Mains.
No. 82. Services.
No. 83. Meters and Service Regulators.
No. 84. Miscellaneous Supplies and Expenses.

Maintenance.

No. 85. Mains.
No. 86. Services.
No. 87. Meters and Service Regulators.
No. 88. Outlying Holders, Buildings and Equipment.
No. 89. Miscellaneous Equipment.

IV. UTILIZATION.

Operation.

No. 90. Commercial Arc Lamps.
No. 91. Municipal Arc Lamps.
No. 92. Consumers' Installations.

Maintenance.

No. 93. Commercial Arc Lamps.
No. 94. Municipal Arc Lamps.

V. COMMERCIAL.

No. 95. Office Salaries and Expenses.
No. 96. New Business Salaries and Expenses.
No. 97. Advertising.
No. 98. Piping and Appliances.
No. 99. Office Supplies and Expenses.

VI. GENERAL.

No. 100. Salaries and Expenses of General Officers.
No. 101. Salaries and Expenses of General Office Clerks.
No. 102. Printing, Stationery and Office Supplies—General.
No. 103. General Office Expense.
No. 104. Miscellaneous General Expense.
No. 105. Law Expense—General.
No. 106. Injuries and Damages.
No. 107. Insurance.
No. 108. General Office Rent.
No. 109. Store Expenses.
No. 110. Maintenance of General Office Buildings, Fixtures, Equipment and Grounds.

I. PRODUCTION.

Note.—In case expense is incurred either in the operation or maintenance of gas producing apparatus used jointly for the manufacture of two or more different kinds of gas, such expense should be segregated on some equitable basis and charged to the appropriate accounts.

A. Coal Gas.

Operation.

No. 1. Superintendence.

Charge to this account the salaries and expenses of the Superintendent and general foremen of the coal gas producing plant. This includes also the salaries and expenses of chemists, draftsmen and all clerical help upon records and accounts directly chargeable to the coal gas producing plant, whether at the general office or at the plant.

Charge also with the proportion of the salaries and expenses of the engineering staff assignable to the coal gas producing plant.

Charge no material to this account.

No. 2. Production Labor.

Charge to this account the wages of foreman of the retort house, stokers, firemen, furnacemen and helpers engaged in the production of coal gas from the coal in storage to the inlet of the gas to the exhauster.

No. 3. Purifying Labor.

Charge to this account the wages of purifer house foreman and employes engaged in changing purifier boxes, reviving oxide, removing spent oxide, operating conveyors, etc.

No. 4. Boiler, Engine and Shop Labor

Charge to this account the wages of boiler house, engine room and machine shop foreman and attendants directly chargeable to the production of coal gas, not otherwise distributed.

No. 5. Miscellaneous Labor.

Charge to this account the wages of employes in and about the coal gas producing plant engaged in miscellaneous operating work. This includes watchmen, janitors, messengers, labor cleaning buildings and yards and general labor not chargeable to any of the foregoing coal gas producing labor accounts.

No. 6. Coal Carbonized.

Charge to this account the cost of coal carbonized at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the coal, freight, switching, demurrage, cartage, unloading, trimming and loss due to shrinkage.

No. 7. Enricher.

Charge to this account the cost of cannel coal, shale or oil used for enriching coal gas at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the enricher, freight, switching, demurrage, cartage, unloading, trimming, pumping and loss due to shrinkage, evaporation or leakage.

No. 8. Bench Fuel.

Charge to this account the cost of all fuel used under retorts. If coal or oil is used charge at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the fuel, freight, switching, demurrage, cartage, unloading, trimming, pumping and loss due to shrinkage, evaporation or leakage.

If residuals produced at the plant are used charge this account at the cost at which they are taken into Supply Account.

No. 9. Boiler Fuel.

Charge to this account the cost of all fuel used in the generation of steam. If coal or oil is used charge at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the fuel, freight, switching, demurrage, cartage, unloading, trimming, pumping and loss due to shrinkage, evaporation or leakage.

If residuals produced at the plant are used charge this account at the cost at which they are taken into Supply Account.

No. 10. Water.

Charge to this account the cost of water for boiler feed, condensing and scrubbing purposes. If the water is purchased, charge at the purchase price; if pumped, charge here the cost of operating the pumping plant.

Charge also to this account boiler compounds and materials used for water purification and filtration, and water purification labor.

Water used for general purposes should be charged to Account 12—Miscellaneous Supplies and Expenses.

No. 11. Purifying Material.

Charge to this account the cost of purifying material. This includes the invoice cost of oxide, lime, shavings, etc., and all expense in connection with the delivery and original mixing of the purifying material.

Where large quantities of purifying material are made at one time, the cost of such material may be charged to Supply Account, crediting that account with the material as used.

No. 12. Miscellaneous Supplies and Expenses.

Charge to this account all operating supplies consumed and all expenses incurred in the coal gas producing plant not properly chargeable to other accounts.

(a) PRODUCTION SUPPLIES.

All supplies used in the coal gas producing plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items.

Waste, packing, wiping supplies, lubricants, gauge glasses, gaskets, fireroom and retort house tools, steam, air and water hose, bolts, screws, nails, thermometers, cans for containing rags and waste, hand oil cans and water for general use.

(b) EXPENSES AT WORKS.

The general and miscellaneous expenditures in the coal gas producing plant not properly chargeable to other accounts.

Principal Items.

Operating of lighting, heating, cleaning and fire protection systems; janitor's supplies; ice, meals and carfares; stationery, including station report forms; toilet service. Charge also to this account the proportion of stable and vehicle expense chargeable to coal gas production.

No. 13. Residual Expense.

Charge to this account all expense specifically incurred in connection with the use and sale of residuals, including maintenance of all machinery and equipment used exclusively in connection therewith.

Special sub-accounts may be kept for each residual.

No. 14. Other Operations—Dr.

Charge to this account the proportion of operating expenses chargeable to "Coal Gas Production—Operation," the distributed charges having been made to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 15. Other Operations—Cr.

Credit to this account the proportion of the cost of "Coal Gas Production—Operation," chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 16. Value of Residuals Produced—Cr.

Credit to this account the estimated value of all residuals produced, the corresponding charge for which should be made to Supply Account.

Special sub-accounts may be kept for each residual.

Adjustments to this account should be made for differences between the estimated value and the amount received through sales.

Maintenance.

Definition.—MAINTENANCE consists of all expenditures for current or ordinary repairs and renewals, occasioned by wear and tear, made in order to maintain the

productive capacity of the plant in its original and equivalent state of efficiency. It includes all repair items and all minor renewals of property such as repair parts of machinery and apparatus, repairs and small renewals to the transmission and distribution systems, etc. When a large or general renewal is made at one time, such as the complete replacement of a building, unit of equipment, or other facility, the cost of such replacement will be charged to the Replacement Reserve Account.

No. 17. Benches.

Charge to this account the cost of repairing and renewing benches, including retorts and settings, iron work, and all piping and mains appurtenant to the benches.

No. 18. Apparatus.

Charge to this account the cost of repairing and renewing coal gas machinery, apparatus, and engines driving same, including mechanical stokers, purifying apparatus, exhausters, condensers, piping at the works, electric and compressed air equipment, pumps, etc.

No. 19. Holders at Works.

Charge to this account the cost of repairing and renewing holders and oil storage tanks at works.

No. 20. Steam Plant.

Charge to this account the cost of repairing and renewing boilers, boiler accessories and piping.

Principal Items.

Boiler settings, mechanical stokers, metal stacks and breechings, bridge walls, arches, grate bars, stoker bars, furnaces, valves, superheaters, dampers, headers and tubes, feed pumps, water feed piping, steam piping.

No. 21. Other Equipment at Works.

Charge to this account the cost of repairing and renewing all miscellaneous equipment at the coal gas works. This includes coal and coke conveyors and parts, cranes, lathes, drill presses and other machinists' and blacksmiths' tools and appliances, and engineering and laboratory tools and instruments.

No. 22. Buildings, Fixtures and Grounds.

Charge to this account the cost of repairing and renewing coal gas producting plant buildings and fixtures, and maintaining grounds.

Principal Items.

Permanent foundations for equipment; brick or concrete stacks; furniture, fixtures and other property in and about the coal gas producing plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; lockers; painting; employes' dwellings and other miscellaneous buildings used in connection with the coal gas producing plant.

Note—Permanent foundations are those designed as a part of the permanent construction of the building and independent of their use in connection with any particular unit of equipment. The maintenance of foundations prepared especially for certain units of equipment and designed to last no longer than such units will be charged under the appropriate Maintenance of Equipment Accounts.

No. 23. Other Operations—Dr.

Charge to this account the proportion of operating expenses chargeable to "Coal Gas Production—Maintenance," the distributed charges having been made to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 24. Other Operations—Cr.

Credit to this account the proportion of the cost of "Coal Gas Production—Maintenance," chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

B. Water Gas.

Operation.

No. 25. Superintendence.

Charge to this account the salaries and expenses of the Superintendent and general foremen of the water gas producing plant. This includes also the salaries and expenses of chemists, draftsmen, and all clerical help upon records and accounts directly chargeable to the water gas producing plant, whether at the general office or at the plant.

Charge also with the proportion of the salaries and expenses of the engineering staff assignable to the water gas producing plant.

Charge no material to this account.

No. 26. Production Labor.

Charge to this account the wages of gas makers and assistants, and all employes engaged in the production of water gas from the coke or coal and oil in storage to the outlet of the seal box.

No. 27. Purifying Labor.

Charge to this account the wages of purifier house foreman and employes engaged in changing purifier boxes, reviving oxide, removing spent oxide, operating conveyors, etc.

No. 28. Boiler, Engine and Shop Labor.

Charge to this account the wages of boiler house, engine room and machine shop foremen and attendants directly chargeable to the production of water gas, not otherwise distributed.

No. 29. Miscellaneous Labor.

Charge to this account the wages of employes in and about the water gas producing plant engaged in miscellaneous operating work. This includes watchmen, janitors, messengers, labor cleaning buildings and yards and general labor not chargeable to any of the foregoing water gas producing plant labor accounts.

No. 30. Generator Fuel.

Charge to this account all coal or coke used in the generators for the production of water gas, at the cost f. o. b. point of de-

livery at plant for storage. This includes the invoice cost of the fuel, freight, switching, demurrage, cartage, unloading, trimming and loss due to shrinkage.

If residuals produced at the plant are used, charge this account at the cost at which they are taken into Supply Account.

No. 31. Enricher.

Charge to this account the cost of oil used for enriching water gas, at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the enricher, freight, switching, demurrage, cost of pumping and loss due to evaporation or leakage.

No. 32. Boiler Fuel.

Charge to this account the cost of all fuel used in the generation of steam. If coal, coke or oil is used, charge at the cost f. o. b. point of delivery at plant for storage. This includes the unloading, trimming, pumping and loss due to shrinkage, evaporation or leakage.

If residuals produced at the plant are used, charge this account at the cost at which they are taken into Supply Account.

No. 33. Water.

Charge to this account the cost of water for boiler feed, condensing and scrubbing purposes. If the water is purchased, charge at the purchase price; if pumped, charge here the cost of operating the pumping plant.

Charge also to this account boiler compounds and materials used for water purification and filtration, and water purification labor.

Water used for general purposes should be charged to Account 35—Miscellaneous Supplies and Expenses.

No. 34. Purifying Material.

Charge to this account the cost of purifying material. This includes the invoice cost of oxide, lime, shavings, etc., and all expense in connection with the delivery and original mixing of the purifying material.

Where large quantities of purifying material are made at one time, the cost of such material may be charged to Supply Account, crediting that account with the material as used.

No. 35. Miscellaneous Supplies and Expenses.

Charge to this account all operating supplies consumed and all expenses incurred in the water gas producing plant not properly chargeable to other accounts.

(a) PRODUCTION SUPPLIES.

All supplies used in the water gas producing plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items.

Waste, packing, wiping supplies, lubricants, gauge glasses, gaskets, fireroom and generator house tools, steam, air and water hose, bolts, screws, nails, thermometers, cans for containing rags and waste, hand oil cans and water for general use.

(b) EXPENSES AT WORKS.

The general and miscellaneous expenditures in the water gas producing plant not properly chargeable to other accounts.

Principal Items.

Operation of lighting, heating, cleaning and fire protection systems; janitor's supplies, ice, meals and carfares; stationery, including station report forms; toilet service. Charge also to this account the proportion of stable and vehicle expense chargeable to water gas production.

No. 36. Residual Expense.

Charge to this account all expense specifically incurred in connection with the use and sale of residuals, including maintenance of all machinery and equipment used exclusively in connection therewith.

No. 37. **Other Operations.—Dr.**

Charge to this account the proportion of operating expenses chargeable to "Water Gas Production—Operation," the distributed charges having been made to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 38. **Other Operations—Cr.**

Credit to this account the proportion of the cost of "Water Gas Production—Operation" chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 39. **Value of Residuals Produced—Cr.**

Credit to this account the estimated value of all residuals produced, a corresponding charge for which should be made to Supply Account.

Adjustments to this account should be made for differences between the estimated value and the amount received through sales.

Maintenance.*

No. 40. **Apparatus.**

Charge to this account the cost of repairing and renewing water gas machinery, apparatus, and engines or motors driving same. This includes relining generators and refilling carburetters and superheaters; repairing and renewing clinkering doors, oil sprays, valves, purifying apparatus, exhausters, condensers, piping at works, electric and compressed air equipment, pumps, etc.

No. 41. **Holders at Works.**

Charge to this account the cost of repairing and renewing holders and oil storage tanks at works.

No. 42. **Steam Plant.**

Charge to this account the cost of repairing and renewing boilers, boiler accessories and piping.

*See definition on page 50.

Principal Items.

Boiler settings, mechanical stokers, metal stacks and breechings, bridge walls, arches, grate bars, stoker bars, furnaces, valves, superheaters, dampers, headers and tubes, feed pumps, water feed piping, steam piping.

No. 43. Other Equipment at Works.

Charge to this account the cost of repairing and renewing all miscellaneous equipment at the water gas works. This includes coal and coke conveyors and parts, cranes, lathes, drill presses and other machinists' and blacksmiths' tools and appliances, and engineering and laboratory tools and instruments.

No. 44. Buildings, Fixtures and Grounds.

Charge to this account the cost of repairing and renewing water gas producing plant buildings and fixtures, and maintaining grounds.

Principal Items.

Permanent foundations for equipment; brick or concrete stacks; furniture, fixtures and other property in and about the water gas producing plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; lockers; painting, employes' dwellings and other miscellaneous buildings used in connection with the water gas producing plant.

Note—Permanent foundations are those designed as a part of the permanent construction of the building and independent of their use in connection with any particular unit of equipment. The maintenance of foundations prepared especially for certain units of equipment and designed to last no longer than such units will be charged under the appropriate Maintenance of Equipment Accounts.

No. 45. Other Operations—Dr.

Charge to this account the proportion of operating expenses chargeable to "Water Gas Production—Maintenance," the distributed charges having been made to other co-ordinate depart-

ments, such as Railway, Electric Light and Power, or Water within the same company.

No. 46. Other Operations—Cr.

Credit to this account the proportion of the cost of "Water Gas Production—Maintenance," chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

C. Oil Gas.

Operation.

No. 47. Superintendence.

Charge to this account the salaries and expenses of the Superintendent and general foremen of the oil gas producing plant. This includes also the salaries and expenses of chemists, draftsmen and all clerical help upon records and accounts directly chargeable to the oil gas producing plant, whether at the general office or at the plant.

Charge also with the proportion of the salaries and expenses of the engineering staff assignable to the oil gas producing plant.

Charge no material to this account.

No. 48. Production Labor.

Charge to this account the wages of gas makers and assistants and all employes engaged in the production of oil gas from the oil tank to the outlet of the seal box, including care of oil meters.

No. 49. Purifying Labor.

Charge to this account the wages of purifier house foreman and employes engaged in changing purifier boxes, reviving oxide, removing spent oxide, operating conveyors, etc.

No. 50. Boiler, Engine and Shop Labor.

Charge to this account the wages of boiler house, engine room and machine shop foremen and attendants directly chargeable to the production of oil gas, not otherwise distributed.

No. 51. Miscellaneous Labor.

Charge to this account the wages of employes in and about the oil gas producing plant engaged in miscellaneous operating work. This includes watchmen, janitors, messengers, labor cleaning buildings and yards and general labor not chargeable to any of the foregoing oil gas producing labor accounts.

No. 52. Oil for Gas.

Charge to this account all oil used in the gas generator for producing oil gas at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the oil, freight, switching, demurrage, cartage, pumping and loss due to evaporation or leakage.

No. 53. Boiler Fuel.

Charge to this account the cost of all fuel used in the generation of steam. If coal, coke or oil is used, charge at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the fuel, freight, switching, demurrage, cartage, unloading, trimming, pumping and loss due to shrinkage, evaporation or leakage.

If residuals produced at the plant are used, charge this account at the cost at which they are taken into Supply Account.

No. 54. Water.

Charge to this account the cost of water for boiler feed, condensing and scrubbing purposes. If the water is purchased, charge at the purchase price; if pumped, charge here the cost of operating the pumping plant.

Charge also to this account boiler compounds and materials used for water purification and filtration, and water purification labor.

Water used for general purposes should be charged to Account 56—Miscellaneous Supplies and Expenses.

No. 55. Purifying Material.

Charge to this account the cost of purifying material. This includes the invoice cost of oxide, lime, shavings, etc., and all expense in connection with the delivery and original mixing of the purifying material.

Where large quantities of purifying material are made at one

time, the cost of such material may be charged to Supply Account, crediting that account with the material as used.

No. 56. Miscellaneous Supplies and Expenses.

Charge to this account all operating supplies consumed and all expenses incurred in the oil gas producing plant not properly chargeable to other accounts.

(a) PRODUCTION SUPPLIES.

All supplies used in the oil gas producing plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items.

Waste, packing, wiping supplies, lubricants, gauge glasses, gaskets, fireroom and generator house tools, steam, air and water hose, bolts, screws, nails, thermometers, cans for containing rags and waste, hand oil cans and water for general use.

(b) EXPENSES AT WORKS.

The general and miscellaneous expenditures in the oil gas producing plant not properly chargeable to other accounts.

Principal Items.

Operation of lighting, heating, cleaning and fire protection systems; janitor's supplies; ice, meals and car fares; stationery, including station report forms; toilet service. Charge also to this account the proportion of stable and vehicle expense chargeable to oil gas production.

No. 57. Residual Expense.

Charge to this account all expense specifically incurred in connection with the use and sale of residuals, including maintenance of all machinery and equipment used exclusively in connection therewith.

Special sub-accounts may be kept for each residual.

No. 58. **Other Operations—Dr.**

Charge to this account the proportion of operating expenses chargeable to "Oil Gas Production—Operation," the distributed charges having been made to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 59. **Other Operations—Cr.**

Credit to this account the proportion of the cost of "Oil Gas Production—Operation" chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 60. **Value of Residuals Produced—Cr.**

Credit to this account the estimated value of all residuals produced, a corresponding charge for which should be made to Supply Account.

Special sub-accounts may be kept for each residual.

Adjustments to this account should be made for differences between the estimated value and the amount received through sales.

Maintenance.*

No. 61. **Apparatus.**

Charge to this account the cost of repairing and renewing oil gas machinery, apparatus, and engines or motors driving same. This includes relining and recheckering oil gas generators and superheaters; repairing and renewing cleaning doors, oil sprays, valves, purifying apparatus, exhausters, condensers, piping at works, electric and compressed air equipment, pumps, etc.

No. 62. **Holders at Works.**

Charge to this account the cost of repairing and renewing holders and oil storage tanks at works.

No. 63. **Steam Plant.**

Charge to this account the cost of repairing and renewing boilers, boiler accessories and piping.

*See definition on page 50.

Principal Items.

Boiler settings, mechanical stokers, metal stacks and breechings, bridge walls, arches, grate bars, stoker bars, furnaces, valves, superheaters, dampers, headers and tubes, fuel oil pumps and piping, feed pumps and piping, steam piping.

No. 64. Other Equipment at Works.

Charge to this account the cost of repairing and renewing all miscellaneous equipment at the gas works. This includes coal and coke conveyors and parts, cranes, lathes, drill presses and other machinists' and blacksmiths' tools and appliances, and engineering and laboratory tools and instruments.

No. 65. Buildings, Fixtures and Grounds.

Charge to this account the cost of repairing and renewing gas producing plant buildings and fixtures and maintaining grounds.

Principal Items.

Permanent foundations for equipment; brick or concrete stacks; furniture, fixtures and other property in and about the oil gas producing plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; lockers; painting; employes' dwellings and other miscellaneous buildings used in connection with the oil gas producing plant.

Note—Permanent foundations are those designed as a part of the permanent construction of the building and independent of their use in connection with any particular unit of equipment. The maintenance of foundations prepared especially for certain units of equipment and designed to last no longer than such units, will be charged under the appropriate Maintenance of Equipment Accounts.

No. 66. Other Operations—Dr.

Charge to this account the proportion of operating expenses chargeable to "Oil Gas Production—Maintenance," the distributed charges having been made to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

No. 67. **Other Operations—Cr.**

Credit to this account the proportion of the cost of "Oil Gas Production—Maintenance" chargeable to other co-ordinate departments, such as Railway, Electric Light and Power, or Water within the same company.

D. Gas Purchased.

No. 68. **Gas Purchased—Cost.**

Charge to this account the cost of all gas purchased for the purpose of re-distribution and sale.

No. 69. **Gas Purchased—Expense.**

Charge to this account all expense in connection with purchased gas, including pumping, purifying, etc.

E. Gas on Hand Adjustment.

No. 70. **Gas on Hand Adjustment.**

When the amount of gas sold during the current month exceeds the amount of gas produced during the same month, utilities may at their option charge to this account the value of such excess gas based on the production cost for the previous month, after making the proper adjustment for distribution losses.

When the amount of gas produced, after deducting losses, exceeds the amount of gas sold, utilities may credit this account.

Corresponding charges or credits should be made to the Asset Account, "Gas on Hand."

II. TRANSMISSION.*

Operation.

No. 71. **Superintendence.**

Charge to this account the salaries and expenses of Superintendent and general foremen of the transmission system. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts directly chargeable to the transmission system.

*See definition on page 13.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the transmission system.

Charge no material to this account.

No. 72. Boosters and Regulators.

Charge to this account the cost of pumping gas through mains to the distribution system, including inspection and regulation of booster governors.

No. 73. Patrolling and Inspecting Mains.

Charge to this account the cost of patrolling, inspecting and testing transmission mains, locating and clearing transmission trouble, and all work in connection with operating mains, which is necessary to keep them in service and is not in the nature of repairs or renewals.

No. 74. Miscellaneous Supplies and Expenses.

Charge to this account transmission system telephone rentals and the proportion of stable and vehicle expense chargeable to the transmission system.

Charge also to this account the cost of all operating supplies consumed and all expenses incurred in the operation of the transmission system not properly chargeable to other accounts, including waste, lubricants, mercury, meals, car fares, etc.

Maintenance.*

No. 75. Boosters and Regulators.

Charge to this account the cost of repairing and renewing the booster equipment, including blowers, compressors, engines, motors and connections, regulators and governors, and the specially provided foundations and settings.

Note.—Do not include district regulators installed in distribution system.

No. 76. Transmission Mains.

Charge to this account the cost of repairing and renewing transmission mains from production plant holder to the distributing system, including labor, materials, tools and expenses.

**See definition on page 50.*

No. 77. Miscellaneous Transmission Equipment.

Charge to this account the cost of repairing and renewing all miscellaneous equipment used in the transmission of gas not included in any of the preceding accounts.

No. 78. Buildings, Fixtures and Grounds.

Charge to this account the cost of repairing and renewing transmission system buildings and fixtures, and maintaining grounds.

III. DISTRIBUTION.

Note.—Utilities desiring to keep separate the cost of operating Commercial and Municipal Distribution Systems may subdivide the following Operating Accounts for that purpose.

Operation.

No. 79. Superintendence.

Charge to this account the salaries and expenses of Superintendent and general foremen of the distribution system. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts directly chargeable to the distribution system.

Charge also the proportion of the salaries and expenses of the engineering staff assignable to the distribution system.

Charge no material to this account.

No. 80. District Station Equipment.

Charge to this account the cost of operating all boosting and regulating equipment installed at outlying distribution stations, including the cost of operating pumping plants and outlying holders.

No. 81. Patrolling and Inspecting Mains.

Charge to this account the cost of patrolling, inspecting and testing distribution mains, locating and clearing distribution trouble, and all work in connection with operating mains which is necessary to keep them in service and is not in the nature of repairs or renewals.

No. 82. Services.

Charge to this account the cost of inspecting and testing services, and all wages and expenses in connection with locating and clearing trouble, including thawing, cleaning and blowing out services.

No. 83. Meters and Service Regulators.

Charge to this account the cost of removing and resetting consumers' meters and regulators, the setting of check meters on consumers' premises and routine inspection and testing of meters, whether on the consumers' premises or in the laboratory, as follows:

(a) LABOR.

The wages of all employes engaged in removing and resetting consumers' meters and regulators, inspectors and testers, and clerical work upon meter records.

(b) SUPPLIES AND EXPENSES.

All supplies consumed and expenses incurred in the operation of consumers' meters and regulators.

Principal Items.

Meter boards, screws, seals, mercury, oil, meter and regulator fittings; stationery, including report forms and index cards; car fares, meals, etc.

Utilities may, at their option, charge the first cost of installing meters and service regulators to this account.

No. 84. Miscellaneous Supplies and Expenses.

Charge to this account the cost of all operating supplies consumed and all expenses incurred in the distribution system not properly chargeable to other accounts. This includes distribution office supplies and expenses such as cost of maps, stationery, printed forms, index cards, etc. Also distribution system telephone rentals and the proportion of stable and vehicle expense chargeable to the operation of the distribution system.

Maintenance.*

Note.—Utilities desiring to keep separate the costs of repairing and renewing Commercial and Municipal distribution systems may subdivide the following Maintenance Accounts for that purpose.

No. 85. Mains.

Charge to this account the cost of repairing and renewing mains in the distribution system, including labor, materials, tools and expenses. This includes cost of trenching, placing pipe, filling trench and restoring the street to its former condition, or to that required by municipal authority.

No. 86. Services.

Charge to this account the cost of repairing and renewing services between the distribution mains and the meter on the consumers' premises and services beyond the consumers' meter. This includes cost of trenching, placing pipe, filling trench and restoring street to its former condition, or to that required by municipal authority.

No. 87. Meters and Service Regulators.

Charge to this account the cost of repairing and renewing consumers' meters and regulators, including readjustments, cleaning and painting, new parts, etc. This includes also the cost of testing after repairs.

No. 88. Outlying Holders, Buildings and Equipment.

Charge to this account the cost of repairing and renewing outlying holders, buildings and their accessories, including governors, boosters, exhausters, motors, steam plant at the outlying holder, and the specially provided foundations and settings. Also cost of repairing and renewing district regulators installed as a part of the distribution system.

No. 89. Miscellaneous Equipment.

Charge to this account the cost of repairing and renewing all miscellaneous equipment used in the distribution system, which is not included in any of the preceding accounts.

*See definition on page 50.

IV. UTILIZATION.

Note.—The proportion of stable and vehicle expense applicable to the following sub-accounts should be charged to the specific account affected.

Operation.

No. 90. Commercial Arc Lamps.

Charge to this account the cost of removing, resetting, trimming, cleaning, inspecting and turning on and off commercial arc lamps, including those in municipal buildings; also adjusting and testing lamps in place.

Principal Items.

Wages and expenses of trimmers and inspectors, mantles, brushes, chamois skins and polishing powder.

Utilities may, at their option, charge the first cost of installing commercial arc lamps to this account.

No. 91. Municipal Arc Lamps.

Charge to this account the cost of removing, resetting, trimming, cleaning, inspecting and turning on and off municipal street arc lamps; also adjusting and testing lamps in place.

Principal Items.

Wages and expenses of trimmers and inspectors, mantles, brushes, chamois skins and polishing powder.

Utilities may, at their option, charge the first cost of installing municipal arc lamps to this account.

No. 92. Consumers' Installations.

Charge to this account the wages and expenses of employes engaged in inspecting consumers' installations, attention to trouble calls, testing pressure at request of consumers, changing or adjusting house piping, gas fixtures, gas stoves or any portion of the consumers' property beyond the meter.

Charge also the cost of new pillars, tips, burners or any appliances or devices installed to better the service, which are not in the nature of repairs.

Maintenance.*

No. 93. Commercial Arc Lamps.

Charge to this account the cost of repairing and renewing commercial arc lamps and their equipment, including those in municipal buildings. This includes removing, resetting, adjusting and testing arc lamps for repairs; renewing globes and parts; and the proportion of arc lamp repair shop supplies and expenses chargeable to this work.

No. 94. Municipal Arc Lamps.

Charge to this account the cost of repairing and renewing municipal street arc lamps and their equipment. This includes removing, resetting, adjusting and testing arc lamps for repairs; renewing globes and parts; repairing, renewing and repainting posts and columns; and the proportion of arc lamp repair shop supplies and expenses chargeable to this work.

V. COMMERCIAL.

Note.—The proportion of stable and vehicle expense applicable to the following sub-accounts should be charged to the specific account affected.

No. 95. Office Salaries and Expenses.

Charge to this account the salaries and expenses of officers and assistants in charge of commercial business, and salaries of meter readers, bookkeepers, cashiers and all clerks in the Accounting, Treasury, Collection and Complaint Departments having to do with consumers' accounts.

This includes also salaries paid and expenses incurred in the Contract Department for attention to bill questions; the cost of meter readers' lamps, collectors' badges, car fares, meals, etc.

No. 96. New Business Salaries and Expenses.

Charge to this account the salaries and expenses of the head of the department maintained for the promotion or development of gas consumption and his assistants, including that portion of the salaries and expenses of Contract Department and Agencies assignable to New Business.

*See definition on page 50.

Charge also to this account the salaries and expenses of solicitors, except the proportion chargeable to consumers' bill questions; also all commissions paid for securing new business, preparing estimates, engineering advice, etc.

No. 97. Advertising.

Charge to this account the cost of all advertising not elsewhere provided for.

Principal Items.

Salaries and expenses of advertising manager and assistants; booklets, hand bills, newspaper advertisements, posters, bulletins, and all related items of expense; cost of all labor, material or devices furnished by the company for demonstrator advertising, together with salaries and expenses of demonstrators, rent and all miscellaneous expenses incurred in demonstration.

No. 98. Piping and Appliances.

Charge to this account the cost of all labor, materials or appliances, including cost of house piping, and all delivery and connection expense of same, furnished to consumers without charge to induce new business.

No. 99. Office Supplies and Expenses.

Charge to this account the cost of stationery, printing and office supplies used in the Commercial, New Business, Sales or Contract Departments. Charge also to this account postage applicable to consumers' accounts, the cost of preparing and filing tariffs, and commissions paid for outside collections.

VI. GENERAL.

Note.—The proportion of stable and vehicle expense applicable to the following sub-accounts should be charged to the specific account affected.

No. 100. Salaries and Exenses of General Officers.

Charge to this account the salaries, traveling expenses and expenditures incident to the Chairman of the Board, President, Vice President, Secretary, Treasurer, Assistant Treasurer, General Manager, Assistant General Manager, Comptroller, Auditor, Chief Engineer, General Superintendent, Purchasing Agent and all other officers whose jurisdiction extends to the entire system and whose services cannot be satisfactorily charged to the several departments.

No. 101. Salaries and Expenses of General Office Clerks.

Charge to this account the salaries and expenses of all employes in the general office whose services cannot be satisfactorily charged to the several departments.

No. 102 Printing, Stationery and Office Supplies—General.

Charge to this account the cost of all printing, stationery and office supplies used in the general office not properly chargeable to other accounts.

No. 103. General Office Expense.

Charge to this account all sundry expenses incurred in the general office.

Principal Items.

Expenses of trustees' and stockholders' meetings, including advertising same; expense of transfer department or transfer agents; exchange on remittances; bond and stock expense; postage (except postage charged to commercial expense); contributions; rental of post office and safe deposit boxes; telephone rentals and expenses incident to general office telephone service; telegrams; wages and supplies of janitors, elevator men and watchmen employed in general and branch offices.

No. 104. Miscellaneous General Expense.

Charge to this account any expense general to the business and not chargeable specifically to other general office accounts.

No. 105. Law Expense—General.

Charge to this account all law expenses except those incurred in the defense and settlement of damage claims. This includes salaries and expenses of counsel and attorneys, their clerks and attendants; rentals and expenses of their offices; printing briefs, legal forms, testimony reports, etc.; fees and retainers for services of attorneys not regular employes; court costs and payment of special notarial and witness fees not provided for elsewhere; expenses in connection with taking depositions; legal advertising and all law and court expenses not elsewhere provided for.

No. 106. **Injuries and Damages.**

Charge to this account all expenses incurred on account of persons killed or injured and property damaged in connection with the operation of the company.

Principal Items.

Salaries and expenses of Claim Agent, investigators, adjusters and others engaged in the investigation of accidents and the adjustment of claims; salaries, fees and expenses of attorneys and their clerks and attendants engaged in investigation, adjustment or defense of claims for death or injuries of persons, or damage to property, including court costs, witness fees and all legal expense, including advertising incident to claims; salaries, fees and expenses of surgeons, hospital service, medical and surgical supplies, expenses of coroners and undertakers; all amounts paid in settlement of claims for death or injuries of persons, or damage to property.

No. 107. **Insurance.**

Charge to this account all premiums paid for fire, boiler, casualty, industrial, fidelity, automobile and other insurance.

No. 108. **General Office Rent.**

Charge to this account the rental paid for general and branch offices.

No. 109. **Store Expenses.**

Charge to this account the proportion of salaries and expenses, including stationery, of storekeepers and their assistants and clerks not chargeable specifically to Capital or other expense accounts.

Charge also to this account rentals of storeroom buildings, repairing and renewing storeroom buildings, fixtures and equipment, and maintaining grounds.

No. 110. **Maintenance of General Office Buildings, Fixtures, Equipment and Grounds.**

Charge to this account the cost of repairing and renewing general and branch office buildings, fixtures and equipment and maintaining grounds.

Principal Items.

Furniture, fixtures and other property in and about the general office buildings not specifically provided for elsewhere; plumbing, including water, sewerage and drainage; apparatus for lighting, heating and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; office apparatus, appliances, etc.

CLASSIFICATION OF OPERATING EXPENSES FOR GAS COMPANIES

CLASS "B" COMPANIES

I. PRODUCTION.

(A) Coal Gas.

Operation.

CLASS B.	CLASS A.
1. Operating Labor	1. Superintendence. 2. Production Labor. 3. Purifying Labor. 4. Boiler, Engine and Shop Labor. 5. Miscellaneous Labor.
2. Coal Carbonized	6. Coal Carbonized.
3. Enricher and Bench Fuel	7. Enricher. 8. Bench Fuel.
4. Boiler Fuel and Water	9. Boiler Fuel. 10. Water.

CLASS B.		CLASS A.	
5.	Purifying Material	11.	Purifying Material.
6.	Miscellaneous Supplies and Expenses	12.	Miscellaneous Supplies and Expenses.
7.	Residuals Expense	13.	Residuals Expense.
8.	Other Operations—Dr.	14.	Other Operations—Dr.
9.	Other Operations—Cr.	15.	Other Operations—Cr.
10.	Value of Residuals Produced—Cr.	16.	Value of Residuals Produced—Cr.

Maintenance.

11.	Gas Works Apparatus	17.	Benches.
		18.	Apparatus.
		19.	Holders at Works.
		20.	Steam Plant.
		21.	Other Equipment at Works.
12.	Buildings, Fixtures and Grounds	22.	Buildings, Fixtures and Grounds.

CLASS B.	CLASS A.
13. Other Operations—Dr.	23. Other Operations—Dr.
14. Other Operations—Cr.	24. Other Operations—Cr.

(B) Water Gas.

Operation.

15. Operating Labor	25. Superintendence. 26. Production Labor. 27. Purifying Labor. 28. Boiler, Engine and Shop Labor. 29. Miscellaneous Labor.
16. Generator Fuel and Enricher	30. Generator Fuel. 31. Enricher.
17. Boiler Fuel and Water	32. Boiler Fuel. 33. Water.
18. Purifying Material	34. Purifying Material.

CLASS B.		CLASS A.	
19.	Miscellaneous Supplies and Expenses	35.	Miscellaneous Supplies and Expenses.
20.	Residuals Expense	36.	Residuals Expense.
21.	Other Operations—Dr.	37.	Other Operations—Dr.
22.	Other Operations—Cr.	38.	Other Operations—Cr.
23.	Value of Residuals Produced—Cr.	39.	Value of Residuals Produced—Cr.

Maintenance.

24.	Gas Works Apparatus	40.	Apparatus.
		41.	Holders at Works.
		42.	Steam Plant.
		43.	Other Equipment at Works.
25.	Buildings, Fixtures and Grounds	44.	Buildings, Fixtures and Grounds.
26.	Other Operations—Dr.	45.	Other Operations—Dr.
27.	Other Operations—Cr.	46.	Other Operations—Cr.

CLASS B.		CLASS A.
	C. Oil Gas.	
	Operation.	
28. Operating Labor		47. Superintendence. 48. Production Labor. 49. Purifying Labor. 50. Boiler, Engine and Shop Labor. 51. Miscellaneous.
29. Oil For Gas		52. Oil for Gas.
30. Boiler Fuel and Water		53. Boiler Fuel. 54. Water.
31. Purifying Material		55. Purifying Material.
32. Miscellaneous Supplies and Expenses		56. Miscellaneous Supplies and Expenses.
33. Residuals Expense		57. Residuals Expense.
34. Other Operations—Dr.		58. Other Operations—Dr.
35. Other Operations—Cr.		59. Other Operations—Cr.

CLASS B.	CLASS A.
36. Value of Residuals Produced—Cr.	60. Value of Residuals Produced—Cr.
Maintenance.	
37. Gas Works Apparatus	61. Apparatus. 62. Holders at Works. 63. Steam Plant. 64. Other Equipment at Works.
38. Buildings, Fixtures and Grounds	65. Buildings, Fixtures and Grounds.
39. Other Operations—Dr.	66. Other Operations—Dr.
40. Other Operations—Cr.	67. Other Operations—Cr.
D. Gas Purchased.	
41. Gas Produced—Cost	68. Gas Purchased—Cost.
42. Gas Produced—Expense	69. Gas Purchased—Expense.

CLASS B.	CLASS A.
(E) Gas on Hand Adjustment.	
43. Gas on Hand Adjustment	70. Gas on Hand Adjustment.
II. TRANSMISSION.	
Operation.	
44. Transmission Line Labor and Expense	71. Superintendence. 72. Boosters and Regulators. 73. Patrolling and Inspecting Mains. 74. Miscellaneous Supplies and Expenses.
Maintenance.	
45. Transmission Equipment	75. Boosters and Regulators. 76. Transmission Mains. 77. Miscellaneous Transmission Equipment. 78. Buildings, Fixtures and Grounds.

III. DISTRIBUTION.

Operation.

CLASS B.		CLASS A.	
46.	Superintendence	79.	Superintendence.
47.	District Station Equipment	80.	District Station Equipment.
48.	Patrolling and Inspecting Mains	81.	Patrolling and Inspecting Mains.
49.	Services	82.	Services.
50.	Meters and Regulators	83.	Meters and Regulators.
51.	Miscellaneous Supplies and Expenses	84.	Miscellaneous Supplies and Expenses.

Maintenance.

52.	Mains	85.	Mains.
53.	Services	86.	Services.
54.	Meters and Service Regulators	87.	Meters and Service Regulators.
55.	Outlying Holders, Buildings and Equipment	88.	Outlying Holders Buildings and Equipment.
56.	Miscellaneous Equipment	89.	Miscellaneous Equipment.

IV. UTILIZATION.

Operation.

CLASS B.		CLASS A.	
57.	Commercial Arc Lamps	90.	Commercial Arc Lamps.
58.	Municipal Arc Lamps	91.	Municipal Arc Lamps.
59.	Consumers' Installations	92.	Consumers' Installations.

Maintenance.

60.	Commercial Arc Lamps	93.	Commercial Arc Lamps.
61.	Municipal Arc Lamps	94.	Municipal Arc Lamps.

CLASS "B" COMPANIES—Continued.

V. COMMERCIAL.

CLASS B.	CLASS A.
62. Commercial Expenses	95. Office Salaries and Expenses. 96. New Business Salaries and Expenses. 97. Advertising. 98. Piping and Appliances. 99. Office Supplies and Expenses.

VI. GENERAL.

63. Salaries and Expenses of General Officers	100. Salaries and Expenses of General Officers.
64. Salaries and Expenses of General Office Clerks	101. Salaries and Expenses of General Office Clerks.
65. Printing, Stationery and Office Supplies—General	102. Printing, Stationery and Office Supplies—General.
66. General Office Expenses	103. General Office Expense. 104. Miscellaneous General Expense. 108. General Office Rent.
67. Law Expense—Injuries and Damages	105. Law Expense—General. 106. Injuries and Damages.

CLASS B.	CLASS A.
68. Insurance	107. Insurance.
69. Store Expenses	109. Store Expenses.
70. Maintenance of General Office Buildings, Fixtures Equipment and Grounds	110. Maintenance of General Office Buildings, Fixtures Equipment and Grounds.

CLASSIFICATION OF OPERATING EXPENSES FOR GAS COMPANIES

CLASS "C" COMPANIES

I. PRODUCTION.

Operation.

CLASS C.	CLASS A.
	1. Superintendence.
	2. Production Labor.
	3. Purifying Labor:
	4. Boiler, Engine and Shop Labor.
	5. Miscellaneous Labor.
	25. Superintendence.
	26. Production Labor.
1. Operating Labor	27. Purifying Labor.
	28. Boiler, Engine and Shop Labor.
	29. Miscellaneous Labor.
	47. Superintendence.
	48. Production Labor.
	49. Purifying Labor.
	50. Boiler, Engine and Shop Labor.
	51. Miscellaneous Labor.

CLASS C.	CLASS A.
2. Gas Making and Purifying Materials	6. Coal Carbonized. 7. Enricher. 8. Bench Fuel. 9. Boiler Fuel. 10. Water. 11. Purifying Material. 30. Generator Fuel. 31. Enricher. 32. Boiler Fuel. 33. Water. 34. Purifying Material. 52. Oil for Gas. 53. Boiler Fuel. 54. Water. 55. Purifying Material.
3. Miscellaneous Supplies and Expenses	12. Miscellaneous Supplies and Expenses. 35. Miscellaneous Supplies and Expenses. 56. Miscellaneous Supplies and Expenses.

CLASS "C" COMPANIES—Continued.

CLASS C.	CLASS A.
4. Residuals Expense	13. Residuals Expense. 36. Residuals Expense. 57. Residuals Expense.
5. Value of Residuals Produced—Cr.	16. Value of Residuals Produced—Cr. 39. Value of Residuals Produced—Cr. 60. Value of Residuals Produced—Cr.

Maintenance.

CLASS C.		CLASS A.	
6.	Gas Works Apparatus and Equipment	17.	Benches.
		18.	Apparatus.
		19.	Holders at Works.
		20.	Steam Plant.
		21.	Other Equipment at Works.
		22.	Buildings, Fixtures and Grounds.
		40.	Apparatus.
		41.	Holders at Works.
		42.	Steam Plant.
		43.	Other Equipment at Works.
		44.	Buildings, Fixtures and Grounds.
		61.	Apparatus.
		62.	Holders at Works.
		63.	Steam Plant.
		64.	Other Equipment at Works.
		65.	Buildings, Fixtures and Grounds.
7.	Gas Purchased—Cost	68.	Gas Purchased—Cost.
8.	Gas Purchased—Expense	69.	Gas Purchased—Expense.

CLASS "C" COMPANIES—Continued.

III. DISTRIBUTION.

Operation.

CLASS C.		CLASS A.
9.	Superintendence and Inspections	79. Superintendence. 81. Patrolling and Inspecting Mains.
10.	Services, Meters, and Service Regulators	82. Services. 83. Meters and Regulators.
11.	Miscellaneous Supplies and Expenses	84. Miscellaneous Supplies and Expenses.

Maintenance.

12.	Mains	85. Mains.
13.	Services, Meters, and Service Regulators	86. Services. 87. Meters and Service Regulators.
14.	Miscellaneous Equipment	88. Outlying Holders, Buildings and Equipment. 89. Miscellaneous Equipment.

CLASS "C" COMPANIES—Continued.

IV. UTILIZATION.

Operation.

CLASS C.		CLASS A.	
15.	Operation—Commercial	90.	Commercial Arc Lamps.
		92.	Consumers' Installations.
16.	Operation—Municipal	91.	Municipal Arc Lamps.

Maintenance.

17.	Maintenance—Commercial	93.	Commercial Arc Lamps.
18.	Maintenance—Municipal	94.	Municipal Arc Lamps.

V. COMMERCIAL.

19.	Commercial Expense	95.	Office Salaries and Expenses.
		96.	New Business Salaries and Expenses.
		97.	Advertising.
		98.	Piping and Appliances.
		99.	Office Supplies and Expenses.

VI. GENERAL.

CLASS C.	CLASS A.
20. General Expense	100. Salaries and Expenses of General Officers. 101. Salaries and Expenses of General Office Clerks. 102. Printing, Stationery and Office Supplies—General. 103. General Office Expense. 104. Miscellaneous General Expense. 105. Law Expense—General. 106. Injuries and Damages. 107. Insurance. 108. General Office Rent. 109. Store Expenses. 110. Maintenance of General Office Buildings, Fixtures, Equipment and Grounds.

Deductions from Gross Income

Deductions from Gross Income

Interest on Funded Debt.

Charge to this account monthly all interest accrued on the outstanding funded indebtedness, making a corresponding credit to the account "Accrued Interest on Funded Debt."

Interest on Real Estate Mortgages.

Charge to this account monthly all interest accrued on outstanding obligations secured by real estate mortgages, making a corresponding credit to the account "Accrued Interest on Funded Debt." (Mortgage obligations with respect to this account being considered as funded if they do not mature until more than one year after the date of issue.)

Miscellaneous Interest.

Charge to this account monthly all interest accrued on unfunded or floating obligations. Credit such monthly charges to "Accrued Miscellaneous Interest." Charge also to this account all interest upon consumers' deposits when paid, which may be carried in a sub account if desired.

Bond Sinking Fund Charge.

Charge to this account monthly all accruals required to be made on account of sinking funds in accordance with the provisions of mortgage deeds or deeds of trust, making a corresponding credit to the account "Accrued Bond Sinking Fund." All accruals to reserve or other funds, created voluntarily by the utility and not in pursuance with the provisions of any mortgage or other contract, shall not be included in this account.

Taxes.

Charge to this account monthly all accruals for taxes. Where the utility is also engaged in transactions outside the scope of its duties as a public utility, this account shall be subdivided into the following sub-accounts, to be maintained separately:

a. Taxes chargeable against the utility.

b. Taxes chargeable to non-operating transactions.

To each such tax account there shall be charged monthly the amount of taxes accrued during the month and such amount shall be credited to the account "Accrued Taxes" (or "Prepaid Taxes," if such taxes are prepaid), or the appropriate subdivisions of such accounts. The amount of taxes accrued during any month shall be based upon estimates made from the best data available until the amount of the taxes levied for the period is definitely ascertained, at which time proper adjustments should be made.

Balance Sheet Accounts

Balance Sheet Accounts

ASSETS.

Property and Plant.

Fixed Capital as of December 31, 1912.
Construction and Equipment subsequent to December 31, 1912.

Investments.

Current Assets.

Cash.
Materials and Supplies.
Notes Receivable.
Interest and Dividends Receivable.
Accounts Receivable.
Miscellaneous Current Assets.

Prepaid Accounts.

Prepaid Insurance.
Prepaid Taxes.
Prepaid Interest.
Prepaid Rents.
Miscellaneous Prepaid Accounts.

Suspended Accounts—Debit.

Bond Sinking Fund Cash and Investments.

Treasury Securities.

Deficit.

LIABILITIES.

Capital Liabilities.

Capital Stock.
Funded Debt.

Mortgage Liabilities.

Real Estate Mortgages.
Miscellaneous Mortgages.

Current Liabilities.

Notes Payable.
Accounts Payable.
Deposits.
Matured Interest on Funded Debt.
Matured Miscellaneous Interest.
Miscellaneous Current Liabilities.

Accrued Accounts.

Accrued Interest on Funded Debt.
Accrued Miscellaneous Interest.
Accrued Taxes.
Accrued Bond Sinking Fund.
Accrued Insurance.
Accrued Miscellaneous Liabilities.

Suspended Accounts—Credit.

Reserves.

Bond Sinking Fund.
Replacement Reserve.
Surplus.

UNIV. OF CALIFORNIA

Balance Sheets Accounts

ASSETS.

Property and Plant.

Fixed Capital as of December 31, 1912.

Charge to this account all property and plant owned by the utility and devoted to its operations, as shown by the utility's records as of December 31, 1912. When any property or plant included in such account is retired from service, this account should be credited with the actual cost of same, or, if such is not available, with the estimated original cost. Utilities may keep such detail as they desire of the account "Fixed Capital—December 31, 1912," on their books of account.

Construction and Equipment Subsequent to December 31, 1912.

Charge to this account all expenditures incurred subsequent to December 31, 1912, for construction and equipment. See detailed accounts under classification of construction and equipment accounts for descriptions.

Investments.

Charge to this account all property held as an investment. By investments as here used is meant the cost of the utility's title to or interest in all properties acquired not for use in present operations, together with the cost of stock and bonds issued by other corporations and acquired by the utility.

Current Assets.

Cash.

Charge to this account all money coming into the possession of the utility and in which the utility has a beneficial interest. Charge also to this account all bank credits, checks and drafts receivable, subject to satisfaction or transfer upon demand,

whether payable to bearer or to order. All cash disbursements should be credited to this account.

Materials and Supplies.

Charge to this account the cost of all materials and supplies and appliances at the cost f. o. b. point of delivery to the place of storage. This includes the invoice cost of the material and supplies, freight, switching, demurrage, cartage, etc. Utilities may open sub-accounts for different classes of materials and supplies.

Notes Receivable.

Charge to this account the face value of all notes received by the utility which have been taken in settlement of outstanding accounts.

Interest and Dividends Receivable.

Charge to this account all interest as it accrues upon interest-bearing securities. Charge also to this account all interest as it accrues upon matured accounts and commercial paper of solvent concerns. Utilities may at their option charge to this account all accrued dividends on stock held in other corporations.

Accounts Receivable.

Charge to this account all amounts owing to the utility on open accounts. Negotiable instruments will not be charged to this account.

Miscellaneous Current Assets.

Charge to this account the cost of all current assets of the utility not included under any of the preceding current assets accounts. Property readily convertible into money and which is being held with the intent of being so converted into money will be considered as a current asset and charged to this account when it cannot be charged to one of the preceding accounts.

Prepaid Accounts.

Prepaid Insurance.

Charge to this account all premiums on insurance policies when paid in advance of their accrual, regardless of whether the amounts so prepaid are paid in cash or by an issue of notes or

other negotiable paper. As premiums thus prepaid accrue, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate "Insurance" account.

Prepaid Taxes.

Charge to this account all taxes when paid in advance of their accrual, regardless of whether the amounts so prepaid are paid in cash or by an issue of notes or other negotiable paper. As taxes thus prepaid accrue, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate "Taxes" account.

Prepaid Interest.

Charge to this account all interest when paid in advance of its accrual, on any obligations of the utility. As the interest thus prepaid accrues, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate "Interest" account.

Prepaid Rents.

Charge to this account all rents paid in advance of their accrual. As the rent thus prepaid accrues, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate account.

Miscellaneous Prepaid Accounts.

Charge to this account all prepaid items of the utility not included in the preceding prepaid accounts. As the amounts thus prepaid accrue, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate account.

Suspended Accounts—Debit.

Charge to this account all items which cannot be appropriately distributed at time of payment.

Bond Sinking Fund Cash and Investments.

Charge to this account cash payments made to trustees in pursuance of the provisions of mortgage deeds and deeds of trust. Sub-accounts should be kept showing investments made by the

trustee and for the cash uninvested. Charge also to this account all income derived from investments made by the trustee, making a corresponding credit to the account "Bond Sinking Fund."

Treasury Securities.

Charge to this account the par value of all stocks and bonds which have been authorized and issued, or assumed by the utility but which have not been sold. When such securities are sold their par value will be credited to this account.

Note—This account may be subdivided to show different classes of stock and different classes of bonds.

LIABILITIES.

Capital Liabilities.

Capital Stock.

Credit to this account the par value of all capital stock issued. Sub-accounts shall be kept showing the amount of each class of stock issued.

Funded Debt.

Credit to this account the par value of all bonds and other funded indebtedness issued. Sub-accounts shall be kept showing the amount of each class of bonds and funded debt.

Mortgage Liabilities.

Real Estate Mortgages.

Credit to this account when issued, the total receipts from the sale of evidences of indebtedness secured by real estate mortgages. A separate sub-account shall be opened for each mortgage.

Miscellaneous Mortgages.

Credit to this account all mortgage indebtedness other than real estate mortgages, mortgage deeds, or deeds of trust.

Current Liabilities.

Notes Payable.

Credit to this account when issued or assumed, the face value of all notes payable which mature on demand, or not later than one year after date of issuance.

Accounts Payable.

Credit to this account when incurred, all liabilities of the utility upon open accounts not included in any of the other current liability accounts.

Deposits.

Credit to this account all cash deposited with the utility by consumers as security for the payment of bills. Deposits refunded shall be charged to this account and credited to "Cash." Deposits applicable to uncollectible bills shall, at the close of the fiscal year or earlier, at the option of the accounting utility, be credited to the account of the consumer involved and charged to this account. Deposits made by employes or others shall also be credited to this account.

Matured Interest on Funded Debt.

Credit to this account and charge to the account "Accrued Interest on Funded Debt" all interest owing by the utility upon the amount of its funded indebtedness which has matured but remains unpaid, whether the cause of failure is on the part of the coupon holder to present coupons for payment or for other reasons.

Matured Miscellaneous Interest.

Credit to this account and charge to the account "Accrued Miscellaneous Interest" all interest owing by the utility upon the amount of its notes and bills payable which have matured but remain unpaid, whether the cause of failure is on the part of the holder of the paper to present it for payment or for other reasons.

Miscellaneous Current Liabilities.

Credit to this account at their face value all unfunded obligations for which the utility is liable and which are not elsewhere provided for.

Accrued Accounts.

Accrued Interest on Funded Debt.

Credit to this account at the close of each month all interest accrued during the month upon the funded indebtedness of the utility. When such interest matures it shall be charged to this account and credited to the account "Matured Interest on Funded Debt." When paid, the interest shall be charged to the account "Matured Interest on Funded Debt" and credited to "Cash" or other appropriate account.

When the total amount of interest accrued is paid at or before the date of maturity, this account shall be charged direct and the credit made to "Cash" instead of to the account "Matured Interest on Funded Debt."

Accrued Miscellaneous Interest.

Credit to this account at the close of each month all interest accrued during the month upon all notes and bills payable. When such interest matures it shall be charged to this account and credited to the account "Matured Miscellaneous Interest." When the interest is paid, it shall be charged to the account "Matured Miscellaneous Interest" and credited to "Cash" or other appropriate account.

When the total amount of interest accrued is paid at or before date of maturity, this account shall be charged direct and the credit made to "Cash" instead of to the account "Matured Miscellaneous Interest."

Accrued Taxes.

Credit to this account at the close of each month all taxes accrued during the month and make corresponding charges to the "Taxes" account. Credits to the account "Accrued Taxes" will be based upon estimates from the best data available until the amount of the taxes levied for the period is definitely ascertained, at which time proper adjustment should be made. When any taxes which have been accrued are paid, they shall be charged to this account.

Accrued Bond Sinking Fund.

Credit to this account each month the monthly proportion of the total amount of the annual bond sinking fund payment which

is required by mortgage deeds or deeds of trust, making a corresponding charge to the account "Bond Sinking Fund Charge." During the same month in which the payment is made to the trustee, this account will be closed into the account "Bond Sinking Fund."

Accrued Insurance.

Where it is the practice of utilities to carry their own insurance either in whole or in part, credit to this account at the close of each month the insurance accrued during the period in question and make corresponding charges to the appropriate "Insurance" account.

Accrued Miscellaneous Liabilities.

Credit to this account at the end of each month all miscellaneous liabilities as they accrue, which are not provided for in any of the preceding accrued liability accounts, making a corresponding charge to operating expenses or other account.

Suspended Accounts—Credit.

Credit to this account all miscellaneous liabilities of the utility which cannot be appropriately distributed at the time such credit is made.

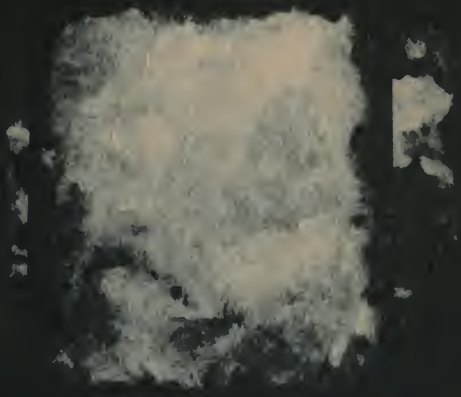
Reserves.

Bond Sinking Fund.

During the same month in which the annual sinking fund payment is made to the trustee in pursuance with the requirements of mortgage deeds or deeds of trust, the amount of such payment should be credited to this account, making a corresponding charge to the account "Accrued Bond Sinking Fund." Credit also to this account the amount of all income derived from investments made by the trustee, making a corresponding charge to the account "Bond Sinking Fund, Cash and Investments."

Replacement Reserve.

Before the close of any fiscal year, utilities shall credit to this account an amount which, in the judgment of their executive officials, will represent the amount to be annually set aside to cover the cost of future replacements of a large or extraordinary

character, made necessary on account of gradual deterioration and obsolescence, this amount being transferred from the Surplus Account. To this account should be charged the actual cost, or if such is not available, the estimated original cost of large units (less salvage value) replaced or abandoned on account of deterioration or obsolescence. The replacement of long sections of transmission and distribution mains, and large units of equipment should be charged against this reserve.

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